

RECORDATION NO. 25505 FILED

MAR 18 '05 1-25 PM

SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

March 18, 2005

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Commercial Security Agreement, dated as of February 2, 2005, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lender:	The Business Bank 11100 Wayzata Boulevard Suite 150 Minnetonka, Minnesota 55305-5530
Grantor:	Steel Wheels LLC 21778 Highview Avenue Lakeville, Minnesota 55044

Mr. Vernon A. Williams  
March 18, 2005  
Page 2

A description of the railroad equipment covered by the enclosed document  
is:

9 gondola cars within the series STWX 157022 - STWX 157295 (formerly  
within the series CN 157022 - CN 157295) as specifically set forth in the  
schedule attached to the document.

A short summary of the document to appear in the index is:

Memorandum of Commercial Security Agreement.

Also enclosed is a check in the amount of \$32.00 payable to the order of  
the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the  
undersigned.

Very truly yours,



Robert W. Alvord

RWA/anm  
Enclosures

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SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT**

**BETWEEN**

**THE BUSINESS BANK  
("SECURED PARTY")**

**AND**

**STEELWHEELS LLC  
("DEBTOR")**

**February 2, 2005**

Memorandum of Commercial Security Agreement made and entered into as of February 2, 2005, by and between The Business Bank, a Minnesota corporation ("Lender"), and Steel Wheels LLC, a Minnesota Limited Liability Company ("Borrower").

**WITNESSETH:**

To secure all obligations of the Borrower under a certain Commercial Security Agreement dated as of February 2, 2005 (the "Loan Agreement"), and that certain Promissory Note dated February 2, 2005, Borrower hereby assigns to Lender all of Borrower's rights, title and interest in, the railcars set forth and described on the Schedule of Railcars attached hereto (the railcars on the aforementioned Schedule of Railcars shall hereinafter be called the "Railcars"), as such Schedule of Railcars may be amended from time to time, and grants to Lender a first priority security interest in: (i) the Railcars; (ii) Borrower's interest in accessions, accessories, equipment, appurtenances and replacement and added parts appertaining or attached to any of the Railcars owned or hereinafter acquired, and all substitutions, renewals or replacements of and additions, improvements, accessions and accumulations to any of the Railcars, together with all the rents, issues, income, profits, proceeds and avails therefrom and the proceeds thereof; (iii) all proceeds and all present and future evidences of rights to payment, (including, without limitation, insurance and indemnity payments) due or to become due to Borrower on account of the lease, sale, loss or other disposition of the Railcars; (iv) all rent,

damages and other moneys from time to time payable to or receivable by Borrower under the Documentary Security (the Railcars, Documentary Security, proceeds, rights, claims and causes of action described in items (i) through (iv) above being herein sometimes collectively called the "Collateral"), to have and to hold all and every part of the Collateral unto Lender, and its successors and assigns, for its and their own use and benefit forever.

This Memorandum of Commercial Security Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but together only one Memorandum of Commercial Security Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

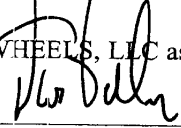
THE BUSINESS BANK, as Lender

By: 

Title: Vice President

Date: 2/2/05

STEELWHEELS, LLC as Borrower

By: 

Title: \_\_\_\_\_

Date: 2-2-2005

STEELWHEELS, LLC as Borrower

By: 

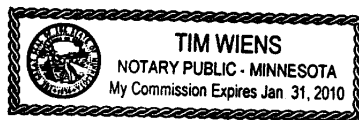
Title: CHIEF FINANCIAL MGR

Date: 2/2/05

STATE OF )  
 )  
COUNTY OF ) ss.

On this 24<sup>th</sup> day of Feb, 2005, before me personally appeared Brian R. Munderloh, to me personally known, who being by me duly sworn, says that he is the Vice President of The Business Bank, that the foregoing instrument was signed on behalf of said national banking association, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC



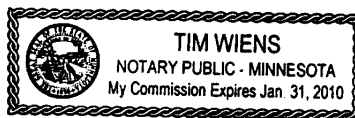
My commission expires:

A handwritten signature in cursive script, likely belonging to the notary Tim Wiens.

STATE OF )  
 )  
COUNTY OF ) ss.

On this 24<sup>th</sup> day of Feb, 2005, before me personally appeared David J Fellon, to me personally known, who being by me duly sworn, says that he is the Manager of Steelwheels LLC, a Minnesota Limited Liability company that the foregoing instrument was signed on behalf of Steelwheels, LLC, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC



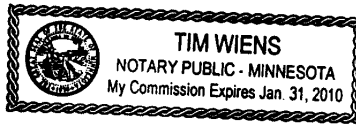
My commission expires:

A handwritten signature in cursive script, likely belonging to the notary Tim Wiens.

On this 24<sup>th</sup> day of Feb, 2005, before me personally appeared Timothy C. Eklund, to me personally known, who being by me duly sworn, says that he is the Manager of Steelwheels, LLC a Minnesota Limited Liability company that the foregoing instrument was signed on behalf of Steelwheels, LLC, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC

My commission expires:



A handwritten signature in cursive script, appearing to read "Tim Wiens", written in black ink.

**SCHEDULE OF RAILCARS**

Nine (9) 100 Ton 1972 65 ft Gondolas Car mark numbers:

STWX 157022 / 157032 / 157074 / 157080 / 157121 / 157193 / 157218 / 157263 / 157295

Previously marked as:

CN 157022 / 157032 / 157074 / 157080 / 157121 / 157193 / 157218 / 157263 / 157295